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2845

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EXAMINER

RANGREJ, SHEETAL

ART UNIT

PAPER NUMBER

3686

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PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No. 10/652,849	Applicant(s) SHORT, DOUGLAS J.	
	Examiner SHEETAL R. RANGREJ	Art Unit 3686	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 23 March 2009.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1,3-9,15 and 17-20 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1, 3-9, 15, and 17-20 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Prosecution History Summary

- Claims 2, 10-14, and 16 are cancelled.
- Claims 1,3, 5, 15, and 17 are amended.
- Claims 1, 3-9, 15, and 18-20 are pending.

Claim Rejections - 35 USC § 101

1. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1 and 15 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

2. The basis of this rejection is based on recent Federal Circuit decisions and Supreme Court precedent in particular, *Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 70 (1972); *Cochrane v. Deener*, 94 U.S. 780, 787-88 (1876) which state that the process must pass the “machine-or-transformation test”:

(1) tied to a particular machine or apparatus; **or**

(2) transforms a particular article to a different state or thing.

There are two corollaries to the machine-or-transformation test. First, a mere field-of-use limitation is generally insufficient to render an otherwise ineligible method claim patent eligible.

This means the machine or transformation must impose meaningful limits on the method claim's scope to pass the test. Second, insignificant extra-solution activity will not transform an unpatentable principle into a patentable process. This means reciting a specific machine or a particular transformation of a specific article in an insignificant step, such data gathering or outputting, is not sufficient to pass the test.

3. In the present case, claims 1 and 15 recite an abstract idea only. The claims recite steps for a) defining processes, b) forming links between processes, traversing processes by meeting exit requirements. These steps do not apply, involve, use, or advance the technological arts since they can be performed in the mind of the user or by use of a pencil and paper. These steps only constitute an idea of how to define, linking and traversing processes.

4. In particular, explicitly claiming the medium or structure in the body of the claim that performs the underlying process steps would serve to better recite the technological arts within the present set of claims.

Claim Rejections - 35 USC § 103

5. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

6. Claims 1-4, and 6-9 are rejected under 35 U.S.C. 103(a) as being unpatentable over Reference U in view of Reference V.

7. As per claim 1, Reference U teaches providing a state-governed fully-insured health insurance policy to a group of employees as a non-taxed compensation to an employee, but as a tax deductible expense to the employer (**U: para. 4, 21, 30-35**); and wherein the state-governed fully-insured health insurance policy is a portion of an insurance contract that provides coverage to the employees in exchange for premium payments paid at least partially by the employer to an insurance provider (**U: para. 4, 21, 30-35**).

Reference U does not explicitly teach conditioning a benefit under a policy for an employee to participation in a voluntary wellness program (**U: para. 16**), wherein said wellness program includes a wellness category that includes at least one of a tobacco free category, a normal blood pressure category, a non-overweight category and a regular exercise category.

Reference V teaches conditioning a benefit under a policy for an employee to participation in a voluntary wellness program (**V: p. 18, section 5**), wherein said wellness program includes a wellness category that includes at least one of a tobacco free category, a normal blood pressure category, a non-overweight category and a regular exercise category (**V: p. 18, section 5**).

It would have been obvious to one of ordinary skill in the art at the time of the invention to combine the teachings of References U and V with the motivation to reduce the amount of days called in sick, claims submitted, etc. (**V: p. 18, section 5**).

8. As per claim 3, the method of claim 1 is as described. Reference U further teaches providing an ERISA governed health insurance policy to employees as a non-taxed benefit to an employee, but as a tax-deductible expense to the employer (**U: para. 5**); and structuring the

state-governed fully-insured health insurance policy to cover a healthcare expense not covered by ERISA governed health insurance policy (**U: para. 5, 11-14**).

9. As per claim 4, the method of claim 3 is as described. Reference U further teaches a conditional benefit under the state-governed fully-insured health insurance policy includes coverage for at least a portion of a claim falling within a deductible for the ERISA governed health insurance policy (**U: para. 11-14**).

10. As per claim 6, the method of claim 1 is as described. Reference U does not explicitly teach said wellness program includes at least one illness screening and said step of conditioning a benefit includes a step of conditioning coverage for at least a portion of an identified illness to employee participation in an illness screening for the identified illness.

Reference V, however teaches said wellness program includes at least one illness screening and said step of conditioning a benefit includes a step of conditioning coverage for at least a portion of an identified illness to employee participation in an illness screening for the identified illness (**V: p. 18, section 5**).

The motivation to combine the teachings is the same as claim 1.

11. As per claim 7, the method of claim 6 is as described. Reference U does not explicitly teach an identified illness includes at least one of cancer, heart disease, abnormal vision, abnormal orality, and mental illness; and said at least one illness screening includes a cancer screen, a heart disease screen, an abnormal vision screen, an abnormal orality screen and a mental illness screen.

Reference V, however, teaches an identified illness includes at least one of cancer, heart disease, abnormal vision, abnormal orality, and mental illness; and said at least one illness

screening includes a cancer screen, a heart disease screen, an abnormal vision screen, an abnormal orality screen and a mental illness screen (**V: p. 18, section 5**).

The motivation to combine the teachings is the same as claim 1.

12. As per claim 8, the method of claim 1 is as described above. Reference U teaches wherein said wellness program includes at least one of wellness education, disease inoculation, injury prevention, and voluntary public service (**U: para. 16-17**).

13. As per claim 9, the method of claim 1 is as described. Reference U teaches a step of providing employees with opportunities to at least one of improve and monitor their wellness condition (**U: para. 16-17**).

14. Claim 5 is rejected under 35 U.S.C. 103(a) as being unpatentable over Reference U in view of Reference V and further in view of Reference W.

15. As per claim 5, the method of claim 3 is as described. References U and V do not teach increasing a deductible on the ERISA governed health insurance policy relative to a previously provided ERISA governed health insurance policy and making a conditional benefit under the state-governed fully-insured health insurance policy cover at least a portion of the deductible increase.

Reference W, however, teaches increasing a deductible on the ERISA governed health insurance policy relative to a previously provided ERISA governed health insurance policy and making a conditional benefit under the state-governed fully-insured health insurance policy cover at least a portion of the deductible increase (**W: para. 1**).

It would have been obvious to one of ordinary skill in the art at the time of the invention to combine the teachings of References U, V, and W with the motivation if the patient had a pre-existing medical condition (**W: para. 8-10**).

16. Claims 15-20 are rejected under 35 U.S.C. 103(a) as being unpatentable over Reference U in view of Reference V and further in view of Gupta (U.S. Publication No. 2003/0009355).

17. As per claim 15, References U and V teach a state-governed fully-insured health insurance policy (**U: para. 4, 21, 30-35**); wherein the state-governed fully-insured health insurance policy is a portion of an insurance contract that provides coverage to the employees in exchange for premium payments paid at least partially by the employer to an insurance provider (**U: para. 4, 21, 30-35**) with conditioning a benefit under the policy for an employee to participation in a voluntary wellness program (**V: p. 18, section 5**).

The motivation to combine the teachings is the same as claim 1.

References U and V do not teach whether a benefit under health insurance policy is available to an employee making a claim at least in part by determining whether the employee is a participant in a voluntary wellness program.

Gupta teaches determining whether a benefit under health insurance policy is available to an employee making a claim at least in part by determining whether the employee is a participant in a voluntary wellness program (**Gupta: para. 12-14**); and processing the claim with respect to an ERISA governed health insurance policy that is a companion to the state-governed fully-insured health insurance policy (**Gupta: para. 12-14**).

Therefore, it would have been prima facie obvious to one of ordinary skill in the art at the time the invention was made to have combined the teachings of References U, V, and Gupta with

the motivation of providing access to information and assisting in an informed decision making **(Gupta: para. 8)**.

18. As per claim 17, the method of claim 15 is as described. Reference U teaches providing an ERISA governed health insurance policy to employees as a non-taxed benefit to an employee, but as a tax-deductible expense **(U: para. 5)**; and structuring the state-governed fully-insured health insurance policy to cover a healthcare expense not covered by ERISA governed health insurance policy **(U: para. 5, 11-14)**.

Reference U and V do not explicitly teach applying the claim to a deductible under a health insurance policy and paying portion of a claim in a supplemental policy (i.e. state-governed fully insured health insurance policy).

Gupta teaches applying the claim to a deductible under a health insurance policy and paying portion of a claim in a supplemental policy (i.e. state-governed fully insured health insurance policy) **(Gupta: para. 38; 43; 54-57)**.

The motivation to combine the teachings is the same as claims 1 and 15.

19. As per claim 18, the method of claim 15 is as described. Reference U does not explicitly teach a step of paying at least a portion of the claim if the employee was a member of at least one of said wellness categories before incurring the claim; and wellness program includes a wellness category that includes at least one of a tobacco free category, a normal blood pressure category, a non-overweight category and a regular exercise category.

Reference V teaches a step of paying at least a portion of the claim if the employee was a member of at least one of said wellness categories before incurring the claim; and wellness program includes a wellness category that includes at least one of a tobacco free category, a

normal blood pressure category, a non-overweight category and a regular exercise category (**V: p. 18, section 5**).

The motivation to combine the teachings is the same as claims 1 and 15.

20. As per claim 19, the method of claim 15 is as described. Reference U does not explicitly teach said wellness program includes an illness screening for at least one identified illness; and said determining step includes a step of determining if the claim is based at least in part on said identified illness and whether the employee participated in an illness screening for said identified illness before incurring the claim.

Reference V teaches said wellness program includes an illness screening for at least one identified illness; and said determining step includes a step of determining if the claim is based at least in part on said identified illness and whether the employee participated in an illness screening for said identified illness before incurring the claim (**V: p. 18, section 5**).

The motivation to combine the teachings is the same as claims 1 and 15.

21. Claim 20 recites substantially similar limitations as those already addressed in claims 8 and 18, and, as such, are rejected for similar reasons as given above.

Response to Arguments

22. Applicant submits that the 35 U.S.C. §101 is misstated by the Examiner. Examiner disagrees with the Applicant. The memorandum presented (http://www.uspto.gov/web/offices/pac/dapp/opla/documents/bilski_guidance_memo.pdf) guidance for the clarification of "processes" under 35 U.S.C. §101. It states that the method claims should pass the "machine-or-transformation test" as noted above. Applicant's claims 1 and 15 can be performed without a machine and is not being transformed to a different state or

thing; therefore failing the machine-or-transformation test. Examiner maintains the 35 U.S.C. §101 as stated above.

23. Applicant's arguments filed for claims 1, 3-9, 15, and 17-20 have been fully considered but they are not persuasive.

24. Applicant argues that the proposed amalgam of insurance coverage in reference U is by definition a policy which is governed by ERISA, while the Applicant's claim term "state-governed fully insured health insurance policy" by definition refers to a policy which is not governed by ERISA. Examiner states the definitions of "state-governed fully insured health insurance policy" presented by the Applicant is misstated. The evidence describes definitions of supplemental coverage and not how "state-governed fully insured health insurance policy" is not governed by ERISA. Furthermore, reference U cited provides an ERISA and a state insurance governed laws applied to insurance policies; differentiating between the two policies.

25. Applicant argues that Reference V does not teach "conditioning a benefit under a state-governed fully-insured policy" and refers to the evidence presented by the Applicant for a clear definition. Examiner states that the evidence presented discloses conditions under which a benefit under a policy for an employee may be conditioned upon participation in a voluntary wellness program, which is also discloses in Reference V as noted above; therefore Examiner maintains the rejection.

Conclusion

26. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

27. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

28. Any inquiry concerning this communication or earlier communications from the examiner should be directed to SHEETAL R. RANGREJ whose telephone number is (571)270-1368. The examiner can normally be reached on M-F 8:30-5:30.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Jerry O'Connor can be reached on 571-272-6787. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/S. R. R./
Examiner, Art Unit 3686
June 11, 2009

/Gerald J. O'Connor/
Supervisory Patent Examiner
Group Art Unit 3686